HEALTH CARE SPENDING IN MANITOBA

2012 TO 2037

MANITOBA

BUREAU OF STATISTICS

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August, 2015

The cost of the Manitoban health care system has been increasing steadily. The issue of the financial sustainability of our healthcare system came into focus in the late 1990s when federal and provincial governments were forced to cut overall spending to eliminate chronic deficit. While the province is predominantly responsible for our own health care delivery, the federal government provides some funding support through the Canada Health Transfer (CHT).

In the context of the current national debate on the future of Canada's healthcare system, this report assumes significance to focus on the future health care expenditure in Manitoba for the next 20 years. The question of how to fund and even contain growing health care costs is the topic of significant discussion and debate by policymakers in Manitoba. Key findings indicate that:

- Without significant federal government intervention, the provincial health care system in its current form is not sustainable
- From the present 2015 healthcare expenditure of $5,985 million, it is estimated to rise in 2025 to $8,182 million, an increase of 36% while in 2035, it rises to $11,119 million which is an increase of 86%
- The current healthcare expenditure of Manitoba is 43.5% of the total revenues (Own sources revenue of Manitoba on health and the federal cash transfers). This will increase to almost 60% of the total revenue after 20 years in 2035
- The supply of physicians needs to increase by at least 46 percent over the next 25 years just to keep up with increased demand for services as a result of aging and population growth
- About 62% of such expenditures are directed to hospitals and physicians
- Canada ranks as the fifth most expensive country of the OECD in terms of per capita health care expenditure, dedicating resources equal to 11.4 % of GDP to health care

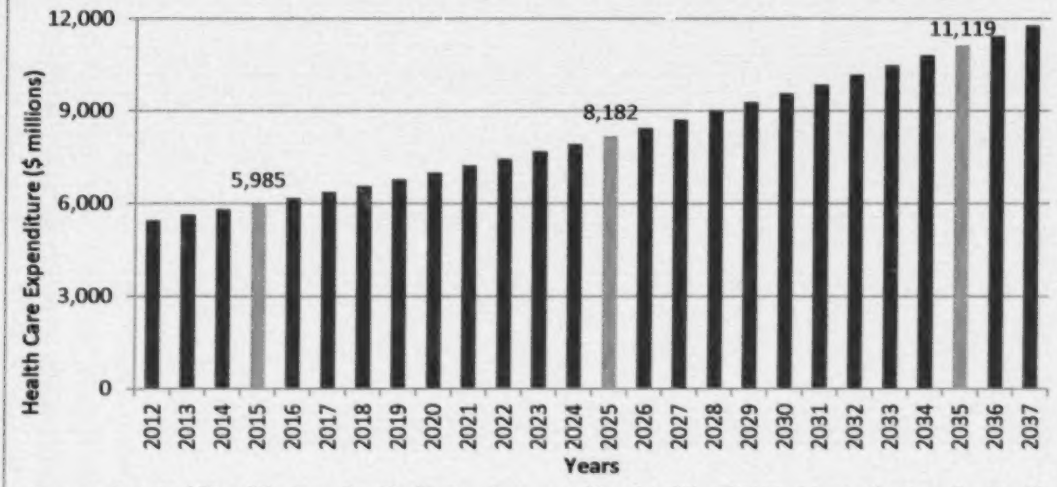
In summary, the research shows that in order to safeguard the sustainability of its health care system, Manitoba has to significantly limit health care cost increases, or boost GDP growth, or raise taxes/fees, or substantially reduce or cut altogether other government programs/services, or implement some combination of these.

Table 1: Manitoba Projected Population and Health Care expenditure (Both Sex): Medium Scenario

Year	Total Population ('000)	Female ('000)	Male ('000)	Total Expenditure ($ Million)	Per Capita Expenditure ($)
2012	1,266.7	635.9	630.8	5,458	4,309
2013	1,281.6	642.9	638.7	5,631	4,394
2014	1,298.4	650.9	647.5	5,807	4,473
2015	1,314.7	658.7	656.0	5,985	4,552
2016	1,330.8	666.4	664.4	6,175	4,640
2017	1,347.3	674.3	673.0	6,373	4,730
2018	1,364.0	682.4	681.7	6,572	4,818
2019	1,381.1	690.6	690.5	6,782	4,911
2020	1,398.5	699.0	699.5	6,993	5,000
2021	1,416.1	707.6	708.5	7,217	5,096
2022	1,433.7	716.2	717.6	7,447	5,194
2023	1,451.4	724.8	726.6	7,685	5,295
2024	1,469.1	733.4	735.7	7,932	5,399
2025	1,486.7	742.0	744.7	8,182	5,504
2026	1,504.2	750.6	753.6	8,439	5,610
2027	1,521.6	759.1	762.5	8,714	5,727
2028	1,539.0	767.6	771.4	8,999	5,847
2029	1,556.2	776.0	780.2	9,283	5,965
2030	1,573.3	784.4	788.9	9,565	6,080
2031	1,590.2	792.7	797.5	9,863	6,202
2032	1,607.0	800.9	806.1	10,181	6,335
2033	1,623.7	809.1	814.6	10,485	6,458
2034	1,640.3	817.2	823.1	10,802	6,586
2035	1,656.7	825.2	831.5	11,119	6,711
2036	1,673.1	833.2	839.9	11,438	6,836
2037	1,689.5	841.1	848.3	11,767	6,965

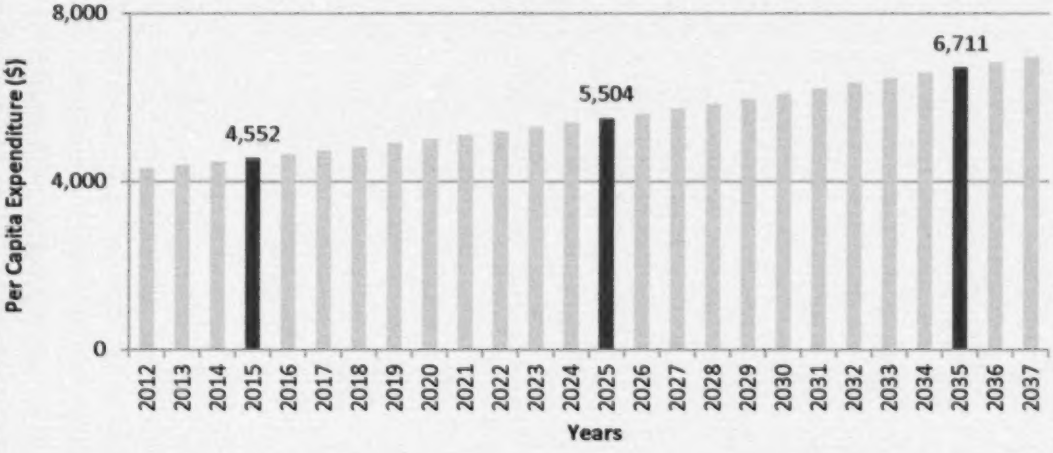
Source: *Sustainability of the Canadian Health Care System and Impact of the 2014 Revision to the Canadian Health Transfer –September 2013*, Society of Actuaries & Canadian Institute of Actuaries.

Fig 1: Projected Total Health Care Expenditure of Manitoba 2012 to 2037



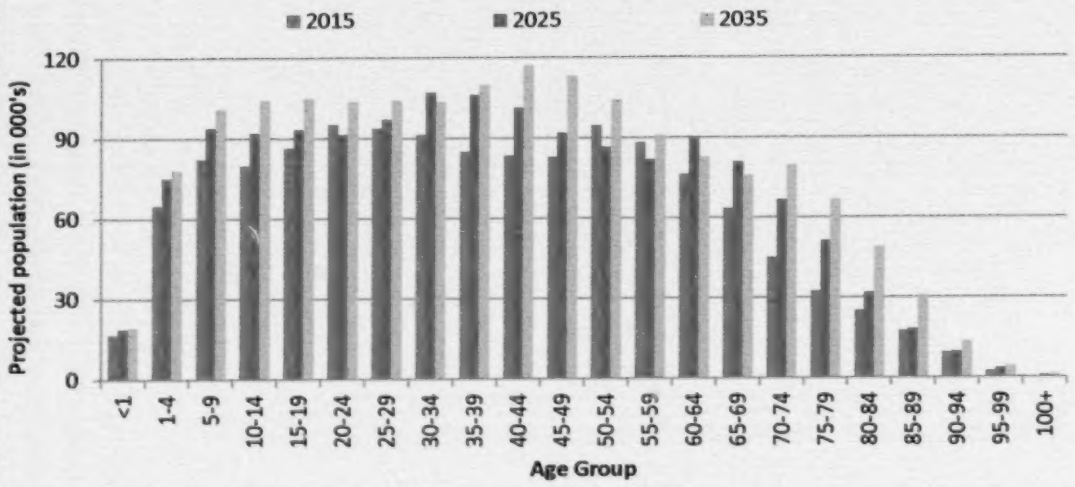
Source: *Sustainability of the Canadian Health Care System and Impact of the 2014 Revision to the Canadian Health Transfer –September 2013*, Society of Actuaries & Canadian Institute of Actuaries.

Fig. 2 : Projected Per Capita Health Care Expenditure of Manitoba 2012 - 2037



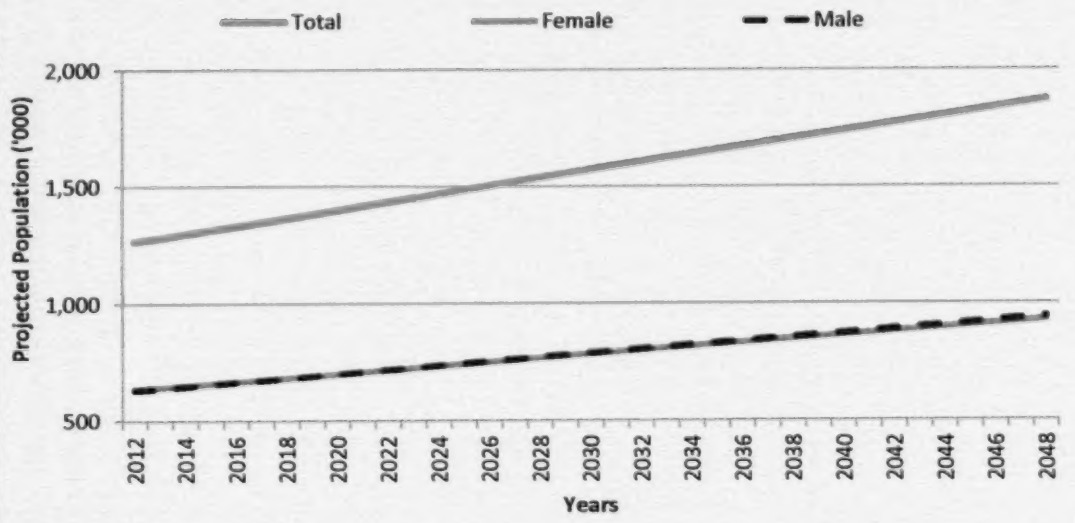
Source: Manitoba Bureau of Statistics and *Sustainability of the Canadian Health Care System and Impact of the 2014 Revision to the Canadian Health Transfer – September 2013*, Society of Actuaries & Canadian Institute of Actuaries.

Fig. 3: Manitoba Future Population (Total) Distribution 2015, 2025 & 2035 (In 000's)



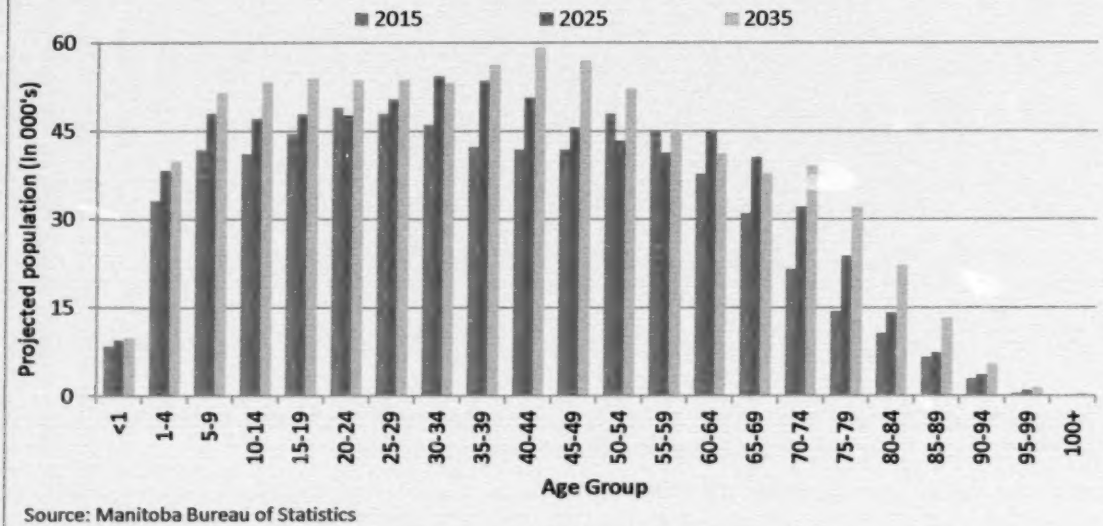
Source: Manitoba Bureau of Statistics

Fig. 4: Manitoba Projected Population By Sex, 2012 to 2048



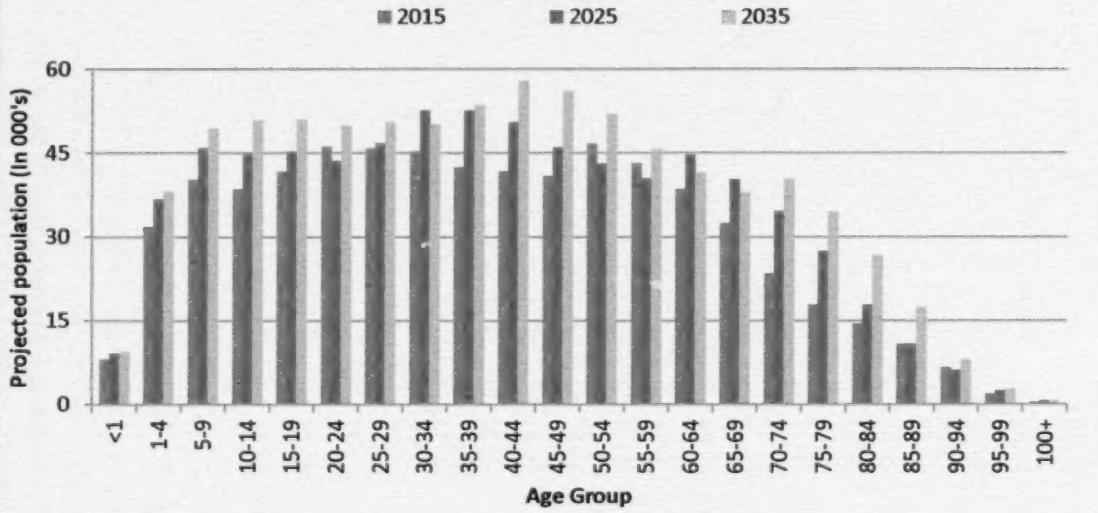
Source: Manitoba Bureau Statistics

Fig. 5 : Manitoba Future Population (Male) Distribution 2015, 2025 & 2035 (In 000's)



Source: Manitoba Bureau of Statistics

Fig. 6: Manitoba Future Population (Female) Distribution 2015,2025 &2035 (In 000's)



Source: Manitoba Bureau of Statistics

Table 2: Per Capita Manitoba Government Health Expenditure, by Use of Funds, 1975 to 2014—Current Dollars.										
Year	Hospital	Other Inst.	Physician	Other Prof.	Drugs	Capital	Public Health	Admin.	Other Health Spending	Total
					($' per capita)					
1975	216.4	49.6	62.9	4.9	5.4	0.3	11.4	8.3	8.4	367.5
1976	248.5	63.4	70.5	5.9	7.3	0.3	20.2	8.8	10.7	435.5
1977	269.9	71.8	75.8	7.3	8.1	0.1	24.8	9.2	12.0	479.1
1978	273.7	77.7	87.0	8.5	9.6	0.9	26.2	9.2	11.3	504.1
1979	294.3	85.3	99.5	9.8	10.6	2.3	25.6	9.3	12.6	549.2
1980	341.6	97.2	110.5	11.6	12.3	3.3	29.0	9.9	15.6	630.9
1981	412.0	115.9	132.5	13.2	15.1	3.3	34.2	10.2	18.8	755.4
1982	471.3	137.2	148.8	15.9	18.9	14.0	32.2	12.5	23.4	874.2
1983	515.0	155.1	158.4	17.2	23.1	20.1	33.2	14.0	26.4	962.5
1984	553.6	164.1	165.4	18.2	27.3	20.2	34.7	15.4	29.3	1,028.2
1985	585.6	172.7	174.1	18.7	30.0	22.9	38.2	16.2	34.3	1,092.7
1986	624.5	174.3	188.8	19.3	31.7	24.8	42.2	17.1	40.5	1,163.0
1987	666.1	182.7	201.6	18.8	38.5	29.0	44.9	17.1	44.3	1,242.9
1988	709.7	198.2	206.2	19.1	43.1	38.9	48.1	17.7	48.1	1,329.1
1989	752.2	213.6	219.3	19.4	41.3	44.8	55.4	20.4	71.9	1,438.0
1990	807.6	232.8	227.6	16.1	43.9	73.6	62.1	27.1	85.3	1,576.2
1991	809.7	240.0	250.9	15.6	50.0	74.1	63.3	20.9	87.7	1,612.1
1992	857.4	254.8	256.4	17.8	61.2	62.9	65.4	18.3	84.4	1,678.6
1993	857.4	252.4	256.4	18.0	60.9	43.7	64.9	22.7	85.0	1,661.4
1994	859.9	256.2	248.6	17.6	54.4	34.7	74.1	22.4	89.7	1,657.6
1995	861.9	261.4	241.4	18.3	70.5	31.3	76.9	21.5	102.4	1,685.7
1996	814.4	264.4	282.8	15.7	65.0	35.7	78.7	21.9	116.6	1,695.3
1997	806.0	263.8	307.4	14.6	64.9	55.0	76.2	23.0	128.8	1,739.7
1998	850.3	271.1	335.5	14.8	75.5	56.5	80.8	25.8	138.2	1,848.6
1999	879.5	311.1	371.0	15.6	92.4	106.1	118.2	45.9	156.7	2,096.5
2000	930.1	352.6	407.2	16.0	114.1	116.6	142.4	36.8	177.1	2,292.9
2001	993.4	385.7	438.4	17.8	139.7	95.6	136.7	32.1	187.7	2,426.9
2002	1,059.7	408.3	461.4	15.5	164.1	88.4	130.7	37.2	199.9	2,565.3
2003	1,115.7	426.4	493.4	15.2	187.4	133.5	154.7	41.5	204.0	2,771.8
2004	1,178.3	443.7	526.8	15.6	200.4	137.1	174.1	42.4	217.2	2,935.7
2005	1,242.2	472.5	567.3	17.2	212.5	171.8	193.2	38.8	234.2	3,149.7
2006	1,323.1	486.9	604.9	17.6	219.9	160.8	205.0	38.6	243.9	3,300.8
2007	1,434.4	511.4	628.5	18.8	228.4	118.0	216.5	36.5	267.6	3,459.9
2008	1,567.8	547.9	672.4	19.4	233.4	95.5	236.3	35.6	288.5	3,696.7
2009	1,670.2	562.7	707.9	21.2	237.6	177.3	254.7	41.9	307.3	3,980.9

2010	1,735.9	574.1	755.7	23.5	241.6	161.4	261.7	43.4	317.7	4,115.0
2011	1,787.4	585.9	767.8	25.1	248.1	198.8	267.8	43.4	331.0	4,255.2
2012	1,802.7	618.7	796.4	24.7	243.7	275.6	275.8	45.2	350.8	4,433.6
2013 f/p	1,795.2	623.6	862.8	26.2	254.1	191.4	278.6	43.3	347.5	4,422.6
2014 f/p	1,795.4	631.2	901.9	27.7	256.4	142.9	283.3	42.2	348.7	4,429.6
Source: National Health Expenditure Trends, 1975 to 2014										

Table 3 : Total Manitoba Government Health Expenditure, by Use of Funds, 1975 to 2014—Current Dollars.

Year	Hospital	Other Inst.	Physician	Other Prof.	Drugs	Capital	Public Health	Admin.	Other Health Spending	Total
					($'000,000)					
1975	221.8	50.9	64.4	5.0	5.5	0.3	11.7	8.5	8.6	376.7
1976	256.4	65.4	72.7	6.1	7.5	0.3	20.8	9.1	11.0	449.3
1977	280.2	74.6	78.7	7.6	8.4	0.1	25.7	9.5	12.5	497.3
1978	285.0	80.9	90.6	8.8	10.0	0.9	27.3	9.6	11.8	524.9
1979	305.3	88.5	103.2	10.1	11.0	2.4	26.6	9.7	13.0	569.7
1980	353.4	100.6	114.3	12.0	12.7	3.4	30.0	10.2	16.2	652.8
1981	427.1	120.2	137.3	13.7	15.7	3.4	35.5	10.6	19.5	782.9
1982	493.3	143.6	155.8	16.7	19.8	14.6	33.7	13.1	24.5	915.1
1983	546.4	164.6	168.1	18.3	24.6	21.3	35.2	14.9	28.0	1,021.3
1984	593.4	175.9	177.3	19.6	29.2	21.7	37.2	16.5	31.4	1,102.1
1985	633.8	186.9	188.4	20.2	32.5	24.8	41.3	17.5	37.2	1,182.6
1986	681.7	190.3	206.1	21.1	34.6	27.0	46.0	18.6	44.2	1,269.6
1987	731.4	200.6	221.4	20.7	42.3	31.8	49.3	18.8	48.6	1,364.8
1988	782.2	218.5	227.2	21.1	47.5	42.9	53.0	19.5	53.0	1,464.7
1989	830.1	235.7	242.1	21.4	45.5	49.4	61.1	22.5	79.3	1,587.0
1990	893.0	257.4	251.7	17.8	48.5	81.4	68.7	30.0	94.3	1,742.8
1991	898.4	266.4	278.4	17.3	55.4	82.2	70.2	23.2	97.3	1,788.7
1992	954.0	283.6	285.3	19.8	68.1	70.0	72.8	20.4	93.9	1,867.8
1993	958.2	282.1	286.5	20.1	68.1	48.9	72.5	25.3	95.0	1,856.8
1994	965.9	287.8	279.2	19.8	61.1	39.0	83.3	25.1	100.8	1,861.9
1995	973.2	295.2	272.6	20.7	79.6	35.4	86.8	24.3	115.6	1,903.4
1996	923.7	299.8	320.8	17.8	73.8	40.5	89.3	24.9	132.2	1,922.8
1997	915.7	299.8	349.2	16.6	73.7	62.5	86.6	26.1	146.3	1,976.6
1998	967.2	308.4	381.7	16.8	85.9	64.3	92.0	29.4	157.2	2,102.8
1999	1,004.8	355.5	423.9	17.8	105.6	121.2	135.1	52.5	179.0	2,395.3
2000	1,067.1	404.6	467.3	18.3	130.9	133.7	163.4	42.3	203.2	2,630.8
2001	1,143.7	444.0	504.7	20.5	160.8	110.0	157.4	36.9	216.1	2,794.1

2002	1,224.6	471.8	533.2	17.9	189.6	102.2	151.1	43.0	231.0	2,964.4
2003	1,296.4	495.4	573.3	17.7	217.7	155.1	179.7	48.2	237.0	3,220.5
2004	1,379.3	519.4	616.7	18.3	234.6	160.4	203.8	49.6	254.2	3,436.4
2005	1,458.6	554.7	666.1	20.2	249.5	201.7	226.8	45.6	275.0	3,698.2
2006	1,566.0	576.3	715.9	20.8	260.2	190.3	242.6	45.7	288.7	3,906.6
2007	1,706.0	608.2	747.5	22.3	271.6	140.4	257.4	43.4	318.2	4,115.1
2008	1,877.9	656.2	805.4	23.2	279.6	114.4	283.1	42.7	345.5	4,427.9
2009	2,018.6	680.0	855.6	25.6	287.2	214.3	307.8	50.7	371.4	4,811.2
2010	2,119.5	700.9	922.6	28.7	295.0	197.0	319.6	53.0	387.9	5,024.1
2011	2,205.1	722.8	947.2	31.0	306.1	245.3	330.4	53.5	408.4	5,249.8
2012	2,253.4	773.4	995.5	30.9	304.7	344.5	344.7	56.5	438.5	5,542.2
2013 f/p	2,270.9	788.8	1,091.4	33.2	321.4	242.1	352.4	54.8	439.6	5,594.6
2014 f/p	2,292.7	806.0	1,151.7	35.4	327.4	182.5	361.7	53.9	445.2	5,656.5

Source: National Health Expenditure Trends, 1975 to 2014

Table 4 : Age and Sex-wise Total Health Expenditure for Year 2012

	Manitoba			Canada		
Age Groups	**Both Sexes**	**Male**	**Female**	**Both Sexes**	**Male**	**Female**
			($'000,000)			
<1	155.2	87.6	67.6	3,958.7	2,155.5	1,803.2
1-4	112.4	57.3	55.0	2,421.9	1,276.6	1,145.3
5-9	108.0	56.8	51.2	2,430.4	1,293.5	1,136.9
10-14	140.9	62.4	78.6	2,568.6	1,318.0	1,250.6
15-19	172.4	80.5	91.8	3,577.7	1,701.2	1,876.5
20-24	203.7	89.4	114.3	4,198.7	1,807.9	2,390.8
25-29	220.2	87.7	132.5	5,124.5	1,883.2	3,241.3
30-34	221.0	83.2	137.8	5,600.3	1,963.3	3,637.0
35-39	212.2	90.0	122.3	5,149.2	2,064.6	3,084.6
40-44	226.9	109.3	117.6	5,403.7	2,481.9	2,921.8
45-49	275.5	133.6	141.8	6,746.9	3,263.5	3,483.4
50-54	327.3	166.9	160.4	8,169.9	4,068.5	4,101.4
55-59	360.7	184.9	175.8	8,889.7	4,574.4	4,315.3
60-64	382.2	198.8	183.4	9,566.8	5,007.5	4,559.4
65-69	376.5	197.7	178.8	10,494.3	5,510.0	4,984.3
70-74	365.5	184.0	181.4	10,245.5	5,206.0	5,039.5
75-79	404.2	194.8	209.5	10,853.7	5,246.7	5,607.0
80-84	464.3	192.4	271.9	11,634.1	5,006.1	6,628.0
85-89	457.8	157.8	300.1	10,804.5	3,760.6	7,043.9

90+	355.3	89.5	265.9	6,816.0	1,791.1	5,024.9
Total	5,542.2	2,504.6	3,037.6	134,655.0	61,379.9	73,275.1
Source: National Health Expenditure Trends, 1975 to 2014						

Table 5 : Age and Sex-wise Total Health Expenditure for Year 2012						
	Manitoba			**Canada**		
Age Groups	**Both Sexes**	**Male**	**Female**	**Both Sexes**	**Male**	**Female**
			($ Per Capita)			
<1	9,899.9	10,950.9	8,805.6	10,487.1	11,136.4	9,803.9
1-4	1,775.7	1,785.6	1,765.6	1,576.5	1,622.6	1,528.1
5-9	1,411.6	1,447.3	1,373.9	1,319.1	1,369.5	1,266.1
10-14	1,772.6	1,516.4	2,047.1	1,360.2	1,357.8	1,362.7
15-19	1,952.9	1,791.3	2,120.8	1,615.3	1,495.1	1,742.3
20-24	2,276.0	1,971.1	2,589.3	1,746.4	1,480.2	2,021.3
25-29	2,557.1	2,009.4	3,119.9	2,141.3	1,568.1	2,718.8
30-34	2,681.0	2,056.1	3,283.5	2,352.4	1,653.7	3,047.5
35-39	2,685.3	2,305.0	3,056.1	2,242.8	1,803.9	2,679.1
40-44	2,823.4	2,725.3	2,921.2	2,270.8	2,082.9	2,459.3
45-49	3,101.0	2,966.1	3,239.9	2,543.5	2,445.1	2,643.3
50-54	3,539.8	3,526.4	3,553.8	2,999.4	2,976.8	3,022.2
55-59	4,409.1	4,465.7	4,350.9	3,659.6	3,775.7	3,544.1
60-64	5,522.1	5,750.6	5,294.0	4,619.6	4,887.8	4,356.9
65-69	6,931.6	7,405.7	6,473.2	6,368.0	6,864.9	5,896.2
70-74	9,285.1	9,939.3	8,704.0	8,545.4	9,208.3	7,953.9
75-79	13,020.5	14,012.8	12,216.1	11,691.7	12,456.6	11,056.4
80-84	18,334.9	18,356.8	18,319.4	16,231.1	16,657.7	15,923.2
85-89	27,110.8	26,922.0	27,211.1	24,590.7	23,971.0	24,934.9
90+	35,059.7	33,521.4	35,609.6	29,206.2	28,275.2	29,553.0
Total	4,433.6	4,036.3	4,825.2	3,874.5	3,563.1	4,180.5
Source: National Health Expenditure Trends, 1975 to 2014						